

# FISCAL YEAR 2007-08 BUDGET PLAN

## I. EXECUTIVE SUMMARY

A. Agency Section/Code/Name: A20 – Legislative Audit Council

B. **Statewide Mission:** The Legislative Audit Council’s (LAC) mission is directed toward the statewide vision of results-oriented government, government that is trustworthy, customer-focused, accessible, and accountable for results. The LAC’s performance audits, which ensure that state agencies are efficient, maximize performance, and follow the law, are key efforts supporting results-oriented government.

C. Summary Description of Strategic or Long-Term Goals: The LAC has two strategic goals:

- (1) Identify specific ways to reduce the cost of state government.
- (2) Identify specific ways to improve the performance of state government.

D.

[illegible]

Summary of Operating Budget Priorities for FY 2007-08:	FUNDING					FTEs			
	State Non- Recurring	State Recurring	Federal	Other	Total	State	Fed.	Other	Total
TOTAL OF ALL PRIORITIES	\$0	\$103,950	\$ 0	\$ 0	\$103,950	0.00	0.00	0.00	0.00

E. Agency Recurring Base Appropriation:  
       State \$1,215,733  
       Federal\$  
       Other \$

F. Efficiency Measures:

G.

Summary of Capital Budget Priorities:			Additional State Funds	Previously Authorized State Funds	Total Other Fund Sources	Project Total
Priority No.:	<u>Project Name:</u> Activity Number & Name:	Project No*:	0	0	0	\$ 0
Priority No.:	<u>Project Name:</u> Activity Number & Name:	Project No*:	0	0	0	\$ 0
Priority No.:	<u>Project Name:</u> Activity Number & Name:	Project No*:	0	0	0	\$ 0
TOTAL OF ALL CAPITAL BUDGET PRIORITIES			\$ 0	\$ 0	\$ 0	\$ 0

\* If applicable

H. Number of Proviso Changes: 0

I. Signature/Agency Contacts/Telephone Numbers:

George L. Schroeder, Director – 253-7612  
 Jane I. Thesing, Deputy Director – 253-7612  
 Susan S. Long, Deputy Director – 253-7612

## II. DETAILED JUSTIFICATION FOR FY 2007-08 OPERATING BUDGET PRIORITIES

A. Agency Section/Code/Name: A20 – Legislative Audit Council

B. Priority No. 1 of 1

C. (1) Title: Personnel Funding for Existing FTEs (2)

(2) Summary Description: Continue to replace audit personnel lost in repeated budget cuts over several years.

(3) Strategic Goal/Action Plan (*if applicable*): Relates to the LAC's strategic goals of identifying specific ways to reduce the cost of state government and identifying specific ways to improve the performance of state government. Personnel needed to conduct performance audits (action plans). The benefits of audits to state government far exceed the cost of personnel (LAC Accountability Report, p. 4).

D. Budget Program Number and Name: Administration

E. Agency Activity Number and Name: 7 - Performance Auditing

F. Detailed Justification for Funding

(1) Justification for Funding Increase: Justification for Funding Increase: The funding to restore two auditor positions lost due to budget cuts over several years will increase the LAC's capacity to do audits. This directly affects our mission to identify specific ways to reduce the cost of state government and to identify specific ways to improve the performance of state government. Our primary effectiveness and outcome measures are the financial benefits realized from LAC audits and the recommendations implemented from LAC audits (LAC Accountability Report, p. 14). This increase would restore the capacity of our auditing program and is directly linked to accomplishing our mission. There is a backlog of requests for our audits. Due to our limited number of staff, legislators must often wait more than 6-9 months before we can begin work on an audit, and we are unable to fill all audit requests. We have no other source of funds. Also, our cost per audit hour is less than half of what private contractors charge for similar work.

(2)

<b>FY 2007-08 Cost Estimates:</b>	<b>State Non-Recurring Funds</b>	<b>State Recurring Funds</b>	<b>Federal</b>	<b>Other</b>	<b>Total</b>
<b>Personnel:</b>					
(a) Number of FTEs*		Existing			Existing
(b) Personal Service		\$76,000			\$76,000
(c) Employer Contributions		\$19,000			\$19,000
Program/Case Services					\$ 0
Pass-Through Funds					\$ 0
Other Operating Expenses		\$8,950			\$8,950
<b>Total</b>	\$ 0	\$103,950	\$ 0	\$ 0	\$103,950
<i>* If new FTEs are needed, please complete Section G (Detailed Justification for FTEs) below.</i>					

(3) Base Appropriation:

State	\$ 1,215,733
Federal	\$
Other	\$

(4) Is this priority associated with a Capital Budget Priority? NO If yes, state Capital Budget Priority Number and Project Name: \_\_\_\_\_  
\_\_\_\_\_.

G. Detailed Justification for FTEs

(1) Justification for New FTEs

(a) Justification:

(b) Future Impact on Operating Expenses or Facility Requirements:

(2) Position Details:

	State	Federal	Earmarked	Restricted	Total
Position Title:					
(a) Number of FTEs					0.00
(b) Personal Service					\$ 0
(c) Employer Contributions					\$ 0

	State	Federal	Earmarked	Restricted	Total
Position Title:					
(a) Number of FTEs					0.00
(b) Personal Service					\$ 0
(c) Employer Contributions					\$ 0

(3) FTEs in Program Area per FY 2006-07 Appropriation Act:

State \_\_\_\_\_  
Federal \_\_\_\_\_  
Other \_\_\_\_\_

Agency-wide Vacant FTEs as of July 31, 2006: \_\_\_\_\_  
% Vacant \_\_\_\_\_%

**H. Other Comments:**

## FY 2007-08 COST SAVINGS & ACTIVITY PRIORITY ADDENDUM

### I. 2% COST SAVINGS ASSESSMENT

A. Agency Section/Code/Name: A20 – Legislative Audit Council

B. Agency Activity Number and Name: 7 - Performance Auditing

C. Explanation of Cost Savings Initiative: We operate only one program, administration. Any reduction would have to be taken in the personnel category. Our operating expenses are fixed costs.

D. Estimate of Savings:

<b>FY 2007-08 Cost Savings Estimates:</b>	<b>General</b>	<b>Federal</b>	<b>Other</b>	<b>Total</b>
<b>Personnel:</b>				
(a) Number of FTEs				0.00
(b) Personal Service				\$24,315
(c) Employer Contributions				\$ 0
Program/Case Services				\$ 0
Pass-Through Funds				\$ 0
Other Operating Expenses				\$ 0
<b>Total</b>	\$ 0	\$ 0	\$ 0	\$24,315

E. Activity Impact (*Describe the impact on the activity affected including the impact on customers and clients.*):

Reduction in our funding for personnel could lead to layoffs. This would directly impact our mission to identify specific ways to reduce the cost of state government and to identify specific ways to improve the performance of state government.

F.

Summary of Cost Savings Initiatives for FY 2007-08:	FUNDING				FTEs			
	General	Federal	Other	Total	State	Fed.	Other	Total
Initiative Title:	0	0	0	\$ 0	0	0	0	0.00
Activity Number & Name:								
Initiative Title:	0	0	0	\$ 0	0	0	0	0.00
Activity Number & Name:								
Initiative Title:	0	0	0	\$ 0	0	0	0	0.00
Activity Number & Name:								
TOTAL OF ALL INITIATIVES	\$ 0	\$ 0	\$ 0	\$ 0	0.00	0.00	0.00	0.00

## FY 2007-08 COST SAVINGS & ACTIVITY PRIORITY ADDENDUM

### II. PRIORITY ASSESSMENT OF AGENCY ACTIVITIES -

This priority assessment is not relevant because we have only one activity.

- A. Agency Section/Code/Name: A20 – Legislative Audit Council
- B. Agency Activity Number and Name: 7 - Performance Auditing
- C. Explanation of Lowest Priority Status:
- D. Estimate of Savings:

Estimate of Savings:	General	Federal	Supplemental	Capital Reserve	Other	Total
<b>Personnel:</b>						
(a) Number of FTEs	0	0	0	0	0	0.00
(b) Personal Service	0		0	0	0	\$ 0
(c) Employer Contributions	0		0	0	0	\$ 0
Program/Case Services	0	0	0	0	0	\$ 0
Pass-Through Funds	0	0	0	0	0	\$ 0
Other Operating Expenses	0	0	0	0	0	\$ 0
<b>Total</b>	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0

- E. Activity Impact *(Describe the impact on the activity affected including the impact on customers and clients.):*



F.

[illegible]